

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6559

BILL NUMBER: SB 214

NOTE PREPARED: Dec 21, 2011

BILL AMENDED:

SUBJECT: Choice Scholarship Administration.

FIRST AUTHOR: Sen. Skinner

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill requires Choice Scholarship students to be administered an ISTEP program test, and provides for the publication and distribution of the results of these tests.

The bill requires compliance with financial standards and audits of eligible schools that enroll eligible individuals on a Choice Scholarship.

The bill limits the amount of a Choice Scholarship that may be used for administrative expenses.

Effective Date: July 1, 2012.

Explanation of State Expenditures: The bill could have some minor increase in ISTEP test costs for scholarship students attending non-accredited non-public schools. The Department of Education would have to disaggregate the Choice Scholarship student's ISTEP test scores by the following categories:

1. Age
2. Race and ethnicity.
3. Gender.
4. Students with at least three years in Choice Scholarship Program.
5. Students with more than one year and less than two years experience in Choice Scholarship Program.
6. Students with not more than one year experience in Choice Scholarship Program.
7. Economically disadvantaged students.

The difference in the reporting requirements for public and Choice Scholarship students will require programming modifications by the vendor.

If there is any increase in expenses, it would be funded from the current Testing and Remediation appropriation of \$46,229,643 for FY 2013.

Requiring schools accepting Choice Scholarship students to comply with financial standards and audits should have no state fiscal impact.

The bill allows a school that accepts Choice Scholarship students to use no more than 3% of the scholarship for administrative expenses. The provision should have no state fiscal impact.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.